

## REMARKS

The Examiner has rejected claims 29-32 under 35 U.S.C. 101 in that the claimed invention is directed to non-statutory subject matter. Applicants acknowledge that the Examiner has allowed claims 22-28 and 33-38.

With regard to claims 29-32, the Examiner states "Claims 29-32 recite a computer-readable medium which does not impart functionality to a computer or computing device, and is thus considered nonfunctional descriptive material. Such nonfunctional descriptive material, in the absence of a functional interrelationship with a computer, does not constitute a statutory process, machine, manufacture or composition of matter and is thus non-statutory per se."

Applicants submit that the Examiner does not have a complete understanding of what the difference is between functional descriptive material and non-functional descriptive material. In particular, while the Examiner correctly quotes from MPEP §2106.01, the Examiner has overlooked the first two paragraphs of the section. In particular, these two paragraphs state:

"Descriptive material can be characterized as either "functional descriptive material" or "nonfunctional descriptive material." In this context, "functional descriptive material" consists of data structures and computer programs which impart functionality when employed as a computer component. (The definition of "data structure" is "a physical or logical relationship among data elements, designed to support specific data manipulation functions." The New IEEE Standard Dictionary of Electrical and Electronics Terms 308 (5th ed. 1993).) "Nonfunctional descriptive material" includes but is not limited to music,

literary works, and a compilation or mere arrangement of data.

Both types of "descriptive material" are nonstatutory when claimed as descriptive material per se, 33 F.3d at 1360, 31 USPQ2d at 1759. When functional descriptive material is recorded on some computer-readable medium, it becomes structurally and functionally interrelated to the medium and will be statutory in most cases since use of technology permits the function of the descriptive material to be realized. Compare *In re Lowry*, 32 F.3d 1579, 1583-84, 32 USPQ2d 1031, 1035 (Fed. Cir. 1994) (discussing patentable weight of data structure limitations in the context of a statutory claim to a data structure stored on a computer readable medium that increases computer efficiency) and *In re Warmerdam*, 33 F.3d 1354, 1360-61, 31 USPQ2d 1754, 1759 (claim to computer having a specific data structure stored in memory held statutory product-by-process claim) with *Warmerdam*, 33 F.3d at 1361, 31 USPQ2d at 1760 (claim to a data structure per se held nonstatutory)."

Quite obviously, a "computer-readable medium" is not nonfunctional descriptive material. Rather, Applicants believe that the Examiner is considering the channel encoded information signal described in the claims as being non-functional descriptive material. If this is the Examiner's intention, then Applicants submit that the Examiner is mistaken. In particular, as noted in the two above paragraphs, "functional descriptive material" consists of data structures and computer programs which impart functionality when employed as a computer component." Applicants stress that the channel encoded information signal as claimed is indeed a specific data structure which is now stored on a computer-readable medium (similar to the data structure stored on a computer readable medium in *In re Lowry*, and the specific data structure stored in memory in *In re Warmerdam*). Applicants further would like

to call the Examiner's attention to *Ex parte Nuijten*, 84 USPQ2d 1335, (BPAI 2006), where, at 1339, the Board states:

"Claim 15 recites 'a storage medium having stored thereon a signal with embedded supplemental data.' This claim depends on the distinction between 'functional descriptive material' and 'nonfunctional descriptive material' described in MPEP § 2106 IV.B.I. "'Nonfunctional descriptive material' includes but is not limited to music, literary works and a compilation or mere arrangement of data." *Id.* While the signal may represent "nonfunctional descriptive material," music or a movie, claim 15 is not trying to claim the content of the material itself. The storage medium in claim 15 nominally puts the claim into the statutory category of a "manufacture" and the signal is "functional" because it can be used by a machine to produce a useful result, as with the "data structure stored in memory" in *Lowry*. Accordingly, we conclude that claim 15 is statutory subject matter."

Applicants submit that the channel encoded information signal of claims 29-32, is equivalent to the "signal with embedded supplemental data" of claim 15 in *Ex parte Nuijten*.

In view of the above, Applicants believe that claims 29-32 are indeed statutory under 35 U.S.C. 101, and, along with claims 22-28 and 33-38, are allowable over the prior art of record.

Applicants believe that this application, containing claims 22-38, is now in condition for allowance and such action is respectfully requested.

Respectfully submitted,

by           /Edward W. Goodman/            
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